

10632-BB
OCT 3 1989 - 11 55 AM
INTERSTATE COMMERCE COMMISSION

COPY
~~ORIGINAL~~

TENTH AMENDMENT

TENTH AMENDMENT dated as of May 8, 1986, to Equipment Trust Agreement dated as of June 1, 1979, as amended by an Amendment dated as of December 7, 1979, an Amendment Agreement Number Two dated as of December 16, 1979, a Third Amendment dated as of April 15, 1980, a Fourth Amendment dated as of June 1, 1980, a Fifth Amendment dated as of September 10, 1980, a Sixth Amendment dated as of October 6, 1982, a Seventh Amendment dated as of March 22, 1985, an Eighth Amendment dated as of June 29, 1985, and a Ninth Amendment dated as of May 5, 1986, and as supplemented by a Waiver dated as of January 10, 1980, a Waiver dated as of March 1, 1980, and a First Supplement dated as of July 15, 1980 (as so amended and supplemented, the "Equipment Trust Agreement") between MORGAN GUARANTY TRUST COMPANY OF NEW YORK as trustee (the "Trustee") and BRAE TRANSPORTATION, INC., formerly BRAE Corporation (the "Company").

RECITALS

The Company owns 80% of the capital stock of Brae Trailers, Inc., a California corporation ("Trailers"). Stoughton Trailers, Inc., a Wisconsin corporation ("Stoughton") owns 20% of the capital stock of Trailers. BRAE Corporation, the Company's parent ("BRAE"), owns 80% of the capital stock of Brae Trailers II, Inc., a California corporation ("Trailers II"); Stoughton owns 20% of the capital stock of Trailers II; and BRAE has guaranteed a lease for Trailers II. Certain disputes have arisen between the Company, BRAE, and Stoughton. The Company wishes to sell the stock of Trailers owned by the Company to Stoughton or its nominee, or to Trailers; settle all outstanding disputes and litigation with Stoughton; and terminate the lease and the BRAE guarantee.

The Company has requested that the Trustee amend the Equipment Trust Agreement as more completely described below. The Trustee has received a Written Direction to execute this Amendment from each of the Original Purchasers, which at the present time collectively hold 100% in principal amount of the outstanding Trust Certificates.

Section 9.03 of the Equipment Trust Agreement provides for the amendment of the Equipment Trust Agreement under such circumstances.

ACCORDINGLY, THE PARTIES AGREE AS FOLLOWS:

1. The terms used in this Amendment which are defined in the Equipment Trust Agreement shall have the same meanings herein as specified therein.

2. Section 6.05 (Negative Covenants) is amended by the addition of the following Subsection at the end of Section 6.05:

(q) Permitted Transaction. Notwithstanding any term, covenant, agreement, condition, prohibition, restriction, or provision in the Equipment Trust Agreement to the contrary, the Company may sell and transfer to Stoughton Trailers, Inc. or its nominee, or to Brae Trailers, Inc. (by redemption or otherwise), any or all of the shares of common stock of Brae Trailers, Inc. beneficially owned by the Company for an aggregate purchase price of not less than \$2.2 million, payable in cash.

3. Except as modified hereby, the Equipment Trust Agreement remains in full force and effect.

4. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original but all of which when taken together shall constitute a single instrument.

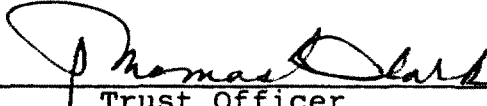
5. The provisions of this Amendment and all rights and obligations of the parties hereunder shall be governed by the laws of the State of New York.

6. The Company shall, at its expense, cause this Amendment to be filed with the Interstate Commerce Commission pursuant to 49 U.S.C. Section 11303, as soon as possible.

IN WITNESS WHEREOF, the Company and the Trustee have caused their names to be signed hereto by their respective officers thereto duly authorized and their corporate seals, duly attested, to be hereunto affixed as to the date first written above.

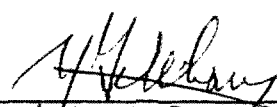
MORGAN GUARANTY TRUST COMPANY OF
NEW YORK, as Trustee

By:


Trust Officer
J. Thomas Clark


(Corporate Seal)

Attest:


Assistant Secretary
E. J. Gillhaus

BRAE TRANSPORTATION, INC.

By:


Vice President

(Corporate Seal)

Attest:

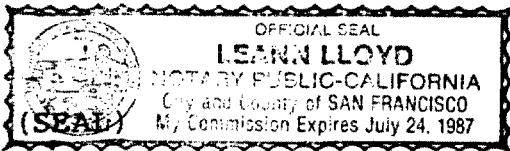

Assistant Secretary

STATE OF CALIFORNIA)

CITY AND COUNTY OF SAN FRANCISCO)

ss.

On this 11 day of April, 1986, before me personally appeared Feroze A. Waheed, to me personally known, who being by me duly sworn, says that he is the Vice President of BRAE TRANSPORTATION, INC., a Delaware Corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was on April 11, 1986, signed and sealed on behalf of said corporation by authority of its Board of Directors; and that he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



[Signature]
Notary Public

Commission expires: 7-24-87

STATE OF NEW YORK)

COUNTY OF NEW YORK)

ss.

On this 8th day of ^{MAY}~~April~~, 1986, before me personally appeared J. Thomas Clark, to me personally known, who being by me duly sworn, says that he is a TRUST OFFICER of MORGAN GUARANTY TRUST COMPANY OF NEW YORK, a New York corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was on ^{MAY}~~April 8~~, 1986, signed and sealed on behalf of said corporation by authority of its Board of Directors; and that he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)

[Signature]
Notary Public

Commission expires: _____

DAVID J. MAY
Notary Public, State of New York
No. 31-4795798
Qualified in New York County
Commission Expires March 30, 1987